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IN THE CIRCUIT COURT OF DAVIDSON COUNTY, TENNESSEE  
TWENTIETH JUDICIAL DISTRICT AT NASHVILLE

FILED  
2003 OCT -3 PM 1:00

RICHARD R. ROOKER, CLERK

*D. Callahan*

STATE OF TENNESSEE,

Petitioner,

v.

No. 03C2794

JOHNNY H. CROOM, individually,  
BARBARA B. CROOM, individually,  
d/b/a Welcomewinners.com a/k/a  
Money Magic,

Respondents.

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**PETITION**

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Paul G. Summers, Attorney General and Reporter for the State of Tennessee, (hereinafter "Attorney General"), files this Petition pursuant to Tenn. Code Ann. § 47-18-107 of the Tennessee Consumer Protection Act of 1977, (hereinafter "the Act"), and would respectfully show the Court as follows:

1. The Attorney General, acting pursuant to the Act, has investigated certain acts and practices of Johnny H. Croom and Barbara B. Croom d/b/a/Welcomewinners.com a/ka Money Magic (hereinafter "Respondents"). Upon completion of the investigation, the Attorney General has determined that certain acts and practices of the Respondents, more specifically described in paragraph two of this Petition, constitute unfair and deceptive acts or practices affecting the conduct of trade or commerce in the State of Tennessee in violation of the Act. Respondents' conduct

2. Based upon the State's investigation of the acts and practices of the Respondents, the Attorney General alleges:

2.1. Respondents, located at 432 Morris Circle, Humboldt, TN 38343, have been conducting an unlawful multilevel marketing business in Tennessee through their Internet web site, Welcomewinners.com a/k/a Money Magic, since 2000. Many consumers, in Tennessee, and in other states, have "paid to play" Respondents' unlawful pyramid system, hoping to make money by paying money and recruiting others into the Respondents' pyramid plan.

2.2. Respondents induced consumers to pay money in order to make more money by recruiting other consumers into Respondents' pyramid distributorship or plan. Respondents placed no limit on the number of consumers who might participate in their plan or operation.

2.3. Respondents' Internet web site, downloaded on January 28, 2003 details the structure and rules of Respondents' pyramid business. A copy of Respondents' structure and rules (an overview) and a copy of their alleged product (pgs. 1-9), are attached as Collective Exhibit A. While Respondents modified their Internet web site after notice from this Office of its investigation, their cosmetic modifications did not change the substantive operation of their unlawful pyramid plan.

3. Respondents neither admit nor deny the allegations of provisions 2.1 - 2.3.

4. The Attorney General entered into negotiations with Respondents. The parties have agreed to, and the Division of Consumer Affairs (hereinafter "Division") has approved, the attached Assurance of Voluntary Compliance.

5. In accordance with the provisions of Tenn. Code Ann. § 47-18-107(c), the execution, delivery and filing of the Assurance does not constitute an admission of prior violation of the Act.

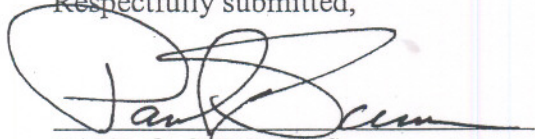
6. The Division, the Attorney General and the Respondents have jointly agreed to the Assurance of Voluntary Compliance and join in its filing.



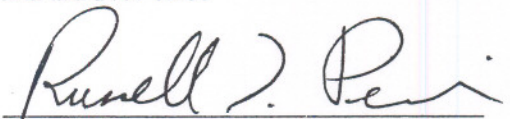
PREMISES CONSIDERED, Petitioner prays:

1. That this Petition be filed without cost bond pursuant to the provisions of Tenn. Code Ann. §§ 20-13-101 and 47-18-116.
2. That the Assurance of Voluntary Compliance be approved and filed in accordance with the provisions of the Tennessee Consumer Protection Act.

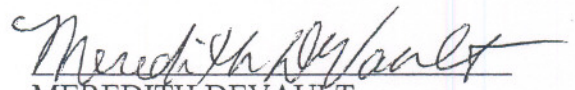
Respectfully submitted,



PAUL G. SUMMERS  
Tennessee Attorney General  
B.P.R. No. 6285



RUSSELL T. PERKINS  
Deputy Attorney General  
B.P.R. No. 10282



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